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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210

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Salt Lake City, Utah 84114-5801

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ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/04 To (mo./yr.) 12/04
2. DOGM File Number (Mine No): M150061
3. Mine Name: Last Chance #25 & #26
4. Mineral(s) Mined (or permitted to mine): Sodium Bentonite
5. Type of mine: ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
7. Name of Operator or Company: Western Clay Company Inc.
8. Permanent Street Address: 620 E. State Hwy 24
City, State, Zip: Aurora, UT 84620-0127
Phone: 435-529-3281 Fax: 435-529-3714
9. Company Representative (or designated operator):
Name: Brad Boyter
Title: President, Western Clay Co. Inc.
Business Address: 620 E State Hwy 24
City, State, Zip: Aurora, UT 84620-0127
Phone: 435-529-3281 Fax: 435-529-3714
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 4,152 tons

Reviewed
2/7/05
PBB

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Mining in current pit

5. How much **additional acreage** was disturbed during the past year? -0-
6. How much acreage was **reclaimed** during the past year? -0-

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

8. What is the **total** disturbed acreage of entire project at years end? Same as last year
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Brad Boyer

Title of Operator: President, Western Clay Co. Inc.

Signature of Operator: Brad Boyer

Date: 1-31-05